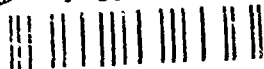


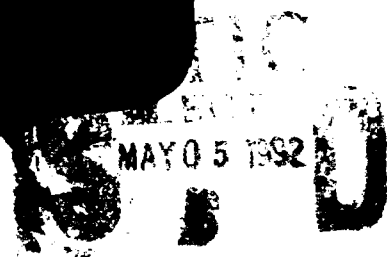
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SECURITY ASSISTANCE AS AN INSTRUMENT OF FOREIGN POLICY: A PROGRAM IN TRANSITION

BY

Lieutenant Colonel Charles B. Jones
United States Army

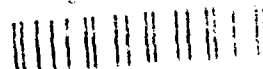
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USAWC MILITARY STUDIES PROGRAM PAPER

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**SECURITY ASSISTANCE AS AN INSTRUMENT OF FOREIGN POLICY:
A PROGRAM IN TRANSITION**

AN INDIVIDUAL STUDY PROJECT

BY

**Lieutenant Colonel Charles B. Jones
United States Army**

**Colonel John N. Sloan
Project Advisor**

**U.S. Army War College
Carlisle Barracks, Pennsylvania 17013
April 8 1992**

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ABSTRACT

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Security assistance, a frequently misunderstood term, has been the backbone of U.S. foreign policy since independence. "Lend Lease" and the "Marshall Plan" have been the highlights of foreign assistance in the 20th century. The recently concluded 45-year Cold War witnessed another victory for U.S. foreign policy. Without a strong foreign policy and a willingness to support security assistance the outcome of the Cold War may have been different. Now the Cold War is over and the world is in transition. The Soviet Union is no longer the principal adversary and the possibility of a global war has diminished. The focus of U.S. national strategy is changing, What will be the role of foreign assistance? Is there still a need to dedicate scarce resources to the outside world when there is no serious threat to the U.S.? In January 1992, when Secretary of State James Baker III testified before Congress, he emphasized the need to be concerned about regional stability. Foreign assistance will be a program in transition as priorities shift from guns to butter. If regional stability is a foreign policy goal of the United States, can security assistance assure its achievement?

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INTRODUCTION

Security assistance has long been integral part of the nation's foreign relations program. Yet it is, by far, the least understood foreign policy program. Policy makers in congress, public officials and administrators within the federal bureaucracy who routinely work with security assistance matters are most knowledgeable and understand the intricacies of the program. But the general public, and many government officials not directly involved in policy or administration of security assistance have very little exposure to what is most often labeled "a charity program". Foreign aid is an umbrella term that encompasses security assistance and has a small constituency on Capitol Hill. The security assistance program has minimal domestic impact and is generally transparent in comparison to the Department of Defense (DOD) budget or domestic programs. Between the period of 1980 and 1990, average security assistance outlays were \$6.5 billion, which is only .6 percent of the average total federal outlays. Also in comparison to national defense and domestic outlays security assistance outlays were 2.9 percent and .9 percent respectfully over the same period.(see figure 1)¹

The statutory definition of security assistance is outlined in the Foreign Assistance Act (FAA) of 1961 (as amended)² and the Arms Export Control Act (AECA) of 1976 (as amended).³ Security assistance is also defined in two DOD documents. The

FIGURE 1

UNITED STATES BUREAU OF CENSUS 1991-STATISTICAL ABSTRACT

No. 509. Federal Outlays, by Detailed Function: 1980 to 1990

(In billions of dollars. For fiscal years ending in year shown; outlays stated in terms of checks issued or cash payments.
See headnote, table 508)

FUNCTION	1980	1983	1984	1985	1986	1987	1988	1989	1990, est.	PERCENT DISTRIBUTION	
										1980	1990, est.
Total outlays ¹	580.9	808.3	851.8	848.3	990.3	1,003.8	1,084.9	1,142.8	1,197.2	100.00	100.00
National defense ²	134.0	208.0	227.4	252.7	273.4	282.0	290.4	303.6	296.3	22.88	24.75
Dept. of Defense, military	130.9	204.4	220.9	245.1	265.5	274.0	281.8	294.9	288.8	22.15	23.86
Atomic energy defense activities	2.9	5.2	6.1	7.1	7.4	7.5	7.8	8.1	8.9	0.49	0.74
Defense related activities	0.2	0.3	0.4	0.5	0.5	0.6	0.5	0.6	0.6	0.04	0.05
International affairs	12.7	11.8	15.9	16.2	14.2	11.6	10.5	9.6	14.6	2.15	1.22
International development and humanitarian assistance	3.6	4.0	4.5	5.4	5.0	4.3	4.7	4.8	4.9	0.61	0.41
Conduct of foreign affairs	1.4	1.6	1.9	2.0	2.3	2.2	2.7	2.9	3.0	0.23	0.25
Foreign information and exchange	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.1	1.2	0.08	0.10
International financial programs activities	2.4	-1.1	0.9	-1.5	-4.5	-3.0	-2.5	-0.7	-0.7	0.41	-0.06
International security assistance	4.8	6.6	7.9	9.4	10.5	7.1	4.5	1.5	6.3	0.81	0.53
Income security	86.5	122.6	112.7	128.2	119.8	123.3	129.3	136.0	146.6	14.84	12.25
General retirement and disability insurance	5.1	5.6	5.4	5.6	5.3	5.6	5.3	5.7	5.2	0.86	0.43
Federal employee retirement and disability	26.6	36.5	36.1	36.6	41.4	43.7	46.9	49.2	52.2	4.50	4.36
Housing assistance	5.6	10.0	11.3	25.3	12.4	12.7	13.8	14.7	16.3	0.95	1.36
Food and nutrition assistance	14.0	18.0	18.1	18.5	18.6	18.9	20.1	21.2	23.4	2.37	1.95
Other income security	17.2	21.1	21.4	22.7	24.4	25.3	27.9	29.7	31.1	2.91	2.60
Unemployment insurance	18.1	31.5	18.4	17.5	17.8	17.1	15.3	15.6	18.1	3.05	1.51
Health	23.2	28.6	30.4	33.5	35.9	40.0	44.5	48.4	57.8	3.82	4.83
Health care services	18.0	23.0	24.5	27.0	28.9	32.8	36.0	39.2	47.9	3.05	4.00
Health research	3.4	4.0	4.4	4.9	5.4	5.8	6.6	7.3	7.9	0.58	0.86
Education and training of health care workforce	0.7	0.6	0.4	0.5	0.5	0.6	0.5	0.5	0.6	0.12	0.05
Consumer and occupational health and safety	1.0	1.1	1.1	1.2	1.2	1.2	1.3	1.4	1.5	0.17	0.13
Social Security and Medicare	150.8	223.3	235.8	254.4	268.9	282.5	296.2	317.5	345.1	25.49	28.83
Social Security	118.5	170.7	178.2	188.6	198.6	207.4	219.3	232.5	248.5	20.06	20.78
Medicare	32.1	52.6	57.5	65.8	70.2	75.1	78.9	85.0	96.6	5.43	8.07

See footnotes at end of table.

first, published by the Joint Chiefs of Staff (JCS), is set forth in Department of Defense Dictionary of Military and Associated Terms (JCS PUB 1-102);⁴ The second is published by the Defense Security Assistance Agency (DSAA) under the title "The Defense Security Assistance Management Manual" (SAMM).⁵

The most recent and comprehensive definition of security assistance was drafted by former Secretary of Defense, Frank C. Carlucci.

Security assistance is a fundamental component of U.S. defense and foreign policy. By contributing to a balanced country package of military and economic aid, security assistance supports independent political development; promotes stability; encourages economic

development and reform; contributes to base and facility access needed to bolster our own force projection capabilities; and promotes the interoperability of U.S. and allied forces to strengthen our collective security framework. Security assistance is also our principal instrument for combating low intensity conflict (LIC). In summary, security assistance plays a significant role in preserving our own security through collective efforts.

Former Secretary of Defense
Frank C. Carlucci
18 February 1988⁶

The key elements of this definition specify U.S. support for independent political development, force projection capabilities and the strengthening of our collective security. Most would agree in principle that these considerations are important to our national security. But there have always been questions, reservations and controversies regarding what the focus of an individual program should be and to what levels this security assistance should be provided.

For the past four decades the thrust of U.S. foreign policy has been clear: preserve the balance of power that would safeguard democratic values in the United States and other basically western countries.⁷ Security assistance has been instrumental in achieving these objectives.

In 1989, the Berlin Wall came down. This event marked the decline of communism. In 1992, the Soviet Union was dissolved, ending the Cold War. These events dramatically affect future U.S. foreign policy as a new national strategy is developed. Security assistance, as defined by Former Secretary of Defense

Frank C. Carlucci, will surely serve the needs of a foreign policy.

This paper will address the history of security assistance in order that the future of the program can be put in perspective and review the course of security assistance based on a new national strategy. Security assistance legislation is also in transition. Current legislation is outdated and is divested throughout various government organizations for interpretation as implied by the report of the House Foreign Affairs Task Force in 1989 . This report recommended major legislative initiatives which were adopted by the Bush Administration and submitted as a part of the Foreign Assistance Authorization for 1992.⁸ In many cases current laws are impediments to the implementation of programs that complement our national objectives and the national interest of recipient nations. This is also evident by the high percentage of "ear marking" by congress over the past five or so years. If the President is responsible for national strategy and foreign policy, the laws should provide the wherewithal to carry out that policy. The United States is the only super power in the world and will likely remain so in the near future. The United States is thus a global leader and, as such, has global responsibilities. A strong foreign policy with clear objectives and interests must be a top priority for the future, when the focus of national strategy will be regional. This paper will address these topics with relation to our military strategy and indicate how security assistance can best be applied in support

of a strong defense.

BACKGROUND

The history of security assistance --delivery of U.S. arms, goods and services to foreign governments-- dates back to the earliest years of military organizations. Nation states became involved in the transfer of arms in order to affect the outcome of battles between warring states. As states joined alliances, arms were traded among alliances to ensure tactical advantage against a much stronger state. Security assistance has been an instrument of U.S. foreign policy since independence. In the late 19th and early 20th centuries, U.S. security assistance programs were primarily involved in providing munitions; other goods and services were transferred but not on a major scale. At the end of World War II the United States led the world by providing more than 52 percent of the arms exports.⁹ As of this date, the U.S. has been the largest supplier of conventional arms and has had the greatest increase in sales. In the last ten years U.S. average annual arms sales -- including training and logistics support -- has been \$10 billion.¹⁰

As an instrument of U.S. foreign policy, security assistance has retained its fundamental objectives over the past 45 years; however, its geographical focus and specific purposes have varied as administrations and world situations changed.

During World War II (WW II), security assistance was initially limited to Great Britain. Prior to WW II, the "Neutrality Act" of 1939 permitted the sales of arms to Great Britain on a cash and carry basis. As the war progressed, U.S. security assistance programs were expanded. The first significant transaction was the agreement between President Roosevelt and Great Britain to provide the British with U.S. destroyers in exchange for a 99-year lease on several British bases. These initial programs of providing war materials to Great Britain did not go unnoticed. Many members of Congress opposed the arrangement because they felt it violated the "Neutrality Act", and they feared that such a shift in foreign policy would draw the United States into the War. However, the Roosevelt Administration responded that, in the event the U.S. did get involved, forward bases would be needed from which to operate. The next major decision in support of security assistance approved by Congress was the "lend-lease program". This program supplied more than \$50 billion of arms and aid to Great Britain and other U.S. allies. The "Lend-Lease Program", a grant program, provided the largest monetary contribution to security assistance in U.S. history."

After World War II, the United States and the Soviet Union emerged as global powers. The two nations were diametrically opposed in their political philosophies. The United States and Britain felt the Soviet Union was a threat to the free world and there was a need to balance Soviet power and expansion.

Containment became the center piece of U.S. foreign policy.¹² The Soviet Union took the initiative by seizing control of several small Eastern European countries simultaneously, at the same time threatening the security of Greece and Turkey. President Truman felt that the United States had a responsibility to support free nations that were being subjugated by outside armed force. In support of this policy, the U.S. Congress approved a \$400 million aid package for Greece and Turkey. This program was expanded to include U.S. military, advisors who performed administrative duties and also provided advice on military matters of defense. The aid package to Turkey and Greece later became an annual congressional appropriation in the form of a grant.¹³

Following the war, Western Europe was an economic disaster. The United States, afraid that democracy would fail, developed a plan for providing massive economic aid to Europe. Known as the "Marshall Plan", this plan provided loans and grants to Western European countries in the amount of \$12 billion over a four year period.¹⁴

The next major post-war initiative was the formation of the North Atlantic Treaty Organization (NATO). The purpose of NATO was to allow western nations, through an alliance, to improve their power position by joining together in defense of their common interests. The close ensuing relationship between the United States and its allies had a corresponding effect on security assistance policies and programs. As late as 1965, NATO

countries received approximately 56 percent of all American arms and defense articles under security assistance.¹⁵

During the Eisenhower Administration security assistance continued to grow in scope and influence, serving as a foundation block of U.S. policy for containment. Crises such as the Korean War, the Egyptian initiative to acquire Soviet arms and America's increasing involvement in Indochina caused a reassessment of the containment policy. The program of "arms to allies"-- as in the NATO alliance -- was enlarged to include arms to friends. The second major change in post-war strategy and policy was the U.S. decision to employ forces, if necessary, to assist any nation or group of nations that requested assistance against armed aggression by any country controlled by Soviet communism. This change in policy was directed toward activities in the Middle East and Southeast Asia. But the Eisenhower Administration was not simply enforcing a policy of containment, rather it sought overall to further U.S. economic interests.¹⁶

The Kennedy-Johnson Administrations inherited the eight-year old foreign policy of President Eisenhower. The Eisenhower doctrine of "massive retaliation" displaced our conventional forces. The Kennedy-Johnson Administrations immediately pushed for improvement in NATO conventional forces. The administrations demand for upgrading conventional forces was supported by congressional appropriations and increased levels of security assistance to NATO. The Administration also took the initiative of expanding programs in Latin America, an area that had been

neglected for some years. The Latin American programs provided strong economic support, with minimal funds for military assistance programs. The Administration also enthusiastically carried forward the Eisenhower policy of security assistance for the Middle East and Southeast Asia with enthusiasm. The decision to employ U.S. forces in support of nations confronting armed aggression became the basis for U.S. involvement in the Vietnam conflict. Over the past three decades approximately \$15 billion in security assistance was provided to Vietnam in support of U.S. foreign policy.¹⁷

The Nixon Administration then inherited the massive problems of the Vietnam War. In addition to withdrawing American troops from the war, the Nixon Administration enunciated new guidelines for American foreign policy. The Nixon doctrine asserted that the United States would continue to bear responsibility for deterrence of nuclear and general war, but the responsibility for deterrence of localized wars would rest with countries threatened by such wars. The United States would continue to furnish limited grant assistance to such countries, but these countries would be expected to assume primary responsibility for their own defense, including manpower and resources. Thus, the Nixon Administration disallowed unilateral U.S. initiatives on behalf of beleaguered countries, but it promoted U.S. partnership in the defense of such countries. During the Nixon Administration, security assistance and arms transfers were redirected, with a narrower focus. The primary interest of the United States was to

maintain the free flow of oil in the Middle East; therefore, a regional balance of forces was essential. Security assistance in the Middle East was dramatically increased: Iran, Israel, and Saudi Arabia became the major recipients.¹⁸

The Ford Administration encountered a growing Congressional apprehension over the rise in U.S. arms transfers abroad. These Congressional concerns stimulated legislative requirements for closer scrutiny of potential arms transfers by both the Department of State and the Department of Defense. New legislation also gave Congress the right to block certain types of sales and transfers. The relationship between the Ford Administration and the Congress was further complicated by the continued high demand for American armaments. As a result of greater Congressional concern, major legislation -- "The International Security Assistance and Arms Export Control Act" (AECA) -- was passed in 1976. The AECA prohibited arms transfers to any nation found to be in systematic violation of human rights. It also terminated grant aid and Military Assistance Advisory Groups (MAAGs) unless specifically authorized by the Congress. The Act established even closer Congressional oversight of arms transfers. The Ford Administration considered the AECA extremely restrictive because it inhibited the Executive Branch's prerogative to implement foreign policy.¹⁹

The Carter Administration set out to define its foreign policy as almost an exact restatement of the Truman Doctrine. The focus of the policy was toward the Middle East and U.S.

interests in the region. The Administration further emphasized that security assistance and the transfer of arms would be based on a country's human rights performance. The Carter Administration took a different approach from its predecessor to resolve the problems of arms transfer escalation. Carter sought to reduce regional tension through negotiation; his first concern was the Middle East. If the Administration could resolve the Middle East conflict, then future transfer of arms to the region should not be necessary. The second effort of the Administration was to normalize our relations with the Peoples Republic of China. Formal diplomatic and trade relations were established with China in 1978. The Carter Administration's approach of seeking normal relations was moderately successful. The overall levels of arms transfers declined, with continued regional focus in the Middle East.²⁰

Then under the eight years of the Reagan Administration, and thus far under the Bush Administration, the national interest and the policy on transfer of arms remained basically the same. The Reagan Administration viewed security assistance as an essential element of our global defense policy and an indispensable component of U.S. foreign policy. Reagan's policy asserted that the United States alone could not defend Western security interests; therefore, the United States would concentrate its efforts on the transfer of arms to its major allies.

Thus far during the Bush Administration two events have had a substantial impact on the security assistance programs:

shrinkage in the value of annual foreign military sales (FMS) and a reduction in Congressional appropriations for security assistance. FMS declined from \$19 billion in FY 82 to \$7.1 billion in FY88. In FY89 and FY90, FMS rose to \$12.5 billion and \$14.2 billion respectively, but this increase was the result of large aircraft sales to the Middle East and sales in response to Iraq's invasion of Kuwait. Congressional appropriations for security assistance declined from \$9.7 billion in FY85 to \$7.1 billion in FY91. In addition to reducing overall security assistance funding, Congress has also seen fit to earmark funds for specific countries. In the 1991 budget, Congress earmarked 85 percent of the appropriated funds.²¹

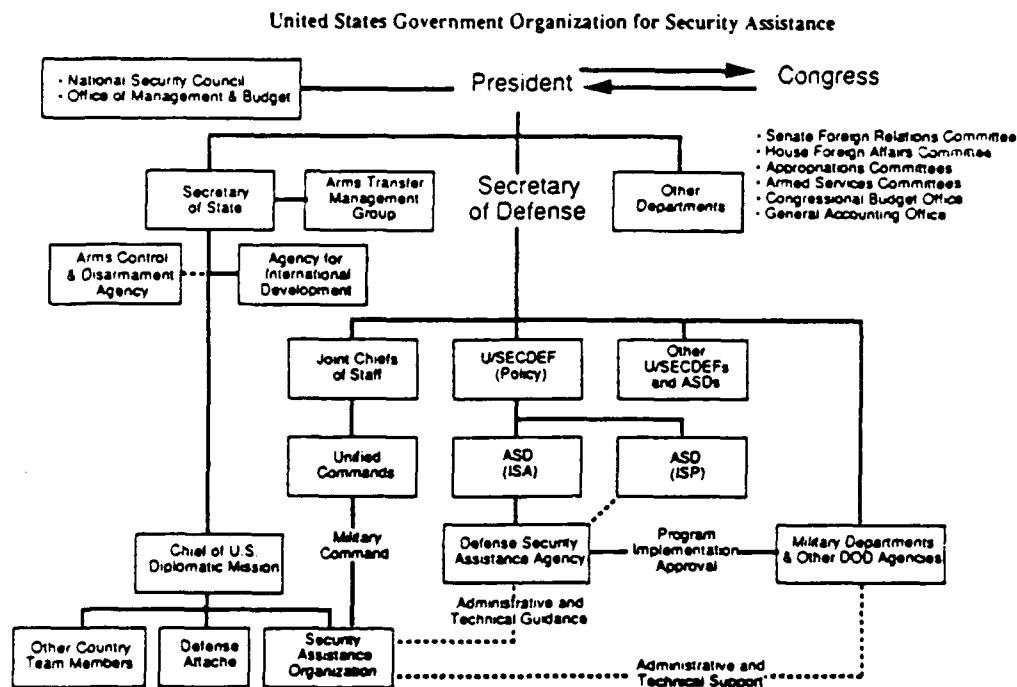
The Bush Administration has proposed the most drastic changes in the security assistance program since World War II. Program reductions and Congressional earmarking will limit future administrations' ability to pursue national security objectives through the use of security assistance.

LEGISLATION, NATIONAL POLICY AND ORGANIZATION FOR SECURITY ASSISTANCE

The U.S. Security Assistance Program was founded in U.S. public law which provides for security assistance authorization and appropriations. National foreign policy is a function of the Executive Branch, which derives its authority from the Constitution. The Constitution outlines the basic foreign policy responsibility of the President. As an instrument of U.S.

foreign policy, security assistance programs have focused on supporting U.S. national interests. The organization for security assistance program and policy implementations is vested in subordinate agencies of the Executive Branch. See Figure 1 next page.²²

FIGURE 2



Security assistance programs are funded under the Congressional authorization called "The International Security and Development Cooperation Act of (year)." The program is further divided into seven categories, two of which are non-appropriated programs: Foreign Military Sales (FMS) and

Commercial Sales Licensed under the AECA. The appropriated programs are: Foreign Military Financing Programs (FMFP), the Military Assistance Program (MAP), the International Military Education and Training (IMET) Program, the Economic Support Fund (ESF), and the Peacekeeping Operation (PKO).

FMS enables eligible foreign governments to purchase defense articles, services and training from the U.S. government. FMFP consist of congressionally appropriated grants and loans which enable eligible foreign governments to purchase U.S. defense articles, services and training through FMS or direct commercial sales. The MAP, prior to 1982, provided articles and related services directly to eligible foreign countries on a grant basis. Beginning in 1990, all MAP grant funding was integrated into the FMFP. The IMET program provides training in the United States and, in some cases, in overseas U.S. facilities to selected foreign military and related civilian personnel on a grant basis. The ESF promotes economic and political stability in areas where the United States has special political and security interests, wherein our government has determined that economic assistance can be useful in helping to secure peace or to avert major economic or political crises. PKO provides that portion of security assistance devoted to such programs as the multinational force and observers, whose task is to prevent the outbreak of hostilities in especially troubled and unstable regions.²³

The President, supported by the National Security Council (NSC), sets the national security objectives of the nation. The

major national security policies emerging from the NSC establish priorities for the development of security assistance programs. The Office of Management and Budget (OMB) oversees the preparation of the President's budget and establishes the amount of the budget to be used for security assistance. The budget is then submitted to the Congress, which passes the necessary authorizations and appropriations acts, thereby allowing security assistance programs to be carried out.²⁴

Two critical documents that set forth justification of the President's security assistance portion of the budget are the Annual Integrated Assessment of Security Assistance (AIASA) and the Congressional Presentation Document (CDP). The AIASA was initiated by the Department of State in 1978 and is prepared by the U.S. Diplomatic Missions. This report discusses the political, military and economic interests of the United States Government; describes the internal/external threat to the host country; describes its military force structure to include programmed force improvements; and offers an extensive analysis of the prevailing economic conditions. The AIASA, together with input from other Executive Branch agencies, serves as the basis for formulation of the annual security assistance budget proposal. The CDP, with input from the AIASA, is the formal document which accompanies the President's budget to Congress. The CDP provides the detailed supporting information prepared by the administration in its justification to Congress of the proposed security assistance program. The Congress then acts on

the proposed budget through committees. Changes in funding levels and earmarking generally take place in Congress prior to sending the appropriation back to the President for approval.²⁵

The organization of security assistance to implement the programs which have been authorized/appropriated by the Congress and approved by the President requires close coordination among several agencies of the Executive Branch. These agencies include the State Department and the Department of Defense (to include the Departments of the Army, Navy and the Air Force). The State Department has overall supervisory responsibility for major policy and program decisions. The Secretary of State will also make decisions regarding the direction security assistance will take, including whether there will be a security assistance program or particular export to a specific country.²⁶ The Secretary of Defense has responsibility for the management, operation and administration of the security assistance program. The majority of the security assistance effort at the DOD level is directed through the Defense Security Assistance Agency (DSAA). DOD is also responsible for the procuring and delivering equipment and delivery to the host country. Within DOD, the JCS provides military advice regarding the coordination of security assistance with U.S. readiness and other plans and programs.

The military departments of the Army, Navy and Air Force implement security assistance programs as approved by the Secretaries of State and Defense. The Departments acquire, through essentially the same acquisition programs used to obtain

their own program equipment, the material included in approved country programs.

Legislation governing security assistance (Foreign Assistance Act, Arms Export Control Act and Congressional authorizations and appropriations) serves to give Congress oversight and control over U.S. Defense articles and services. The President, who is responsible for the national strategy and foreign policy, develops a security assistance program that will complement foreign policy objectives and national interests. Various agencies of the Executive Branch are responsible for implementing policy and execution of the security assistance program as approved by the President. Thus, the security assistance program should be instrumental in achieving our national goals.

SECURITY ASSISTANCE AND A NEW NATIONAL STRATEGY

The collapse of Soviet Union's domination in Eastern Europe brought an end to the Cold War. For over 40 years, the U.S. strategy of containment has responded to an era of expanding Soviet power, aggression and communism. Security assistance, as an instrument of foreign policy, played a most impressive role in bringing the Cold War to an end. As a new national strategy is formed, new directions for U.S. foreign policy and security assistance will be developed.²⁷

In shaping security strategy for a new era, we must seek to clearly understand the forces and relationships at work. Political and military realities are key issues in determining how America's alliances will be forged and shaped. Political issues in Europe will be in dynamic flux for years to come. Allies as well as new, emerging democracies devise new ways to resolve the complexities of new relationships. Military strategy will be more ambiguous, because force structure planning will be based on a threat that will tend to be elusive.

The basic interests and objectives of the United States in the 1990s have not changed. In this new era, we will continue to support those sources of national strength and to deal with the very real threats that still exist.

We have four basic interests and objectives: the survival of the United States as a free and independent state, a healthy and growing economy, healthy cooperation with allies and friendly nations and a stable and secure world where human rights and democratic institutions flourish.²⁸

In view of these basic objectives supporting a new world order, security assistance will continue to be a vital instrument of U.S. foreign policy. The 1991 Congressional Presentation Document (CPD) outlined five objectives of security assistance:

1. to promote regional stability in such vital area as the Middle East.
2. to aid U.S. friends and allies as they seek to defend against major threats to their security interest.

3. to maintain U.S. defense alliances and related cooperative arrangements in a time of rapidly changing security requirements.

4. to defend democratic values and institution

5. and to support friendly countries' economies as they experience disruptions associated with modernization of their economic policies.²⁹

The new national strategy and complementary foreign policy for the next decade clearly indicate that the United States will not revert to an isolationist posture. The United States is determined to maintain its leadership in global affairs. The history of the 20th century has taught a valuable lesson -- security is indivisible. The safety, freedom and well-being of one people cannot be separated from the safety and well-being of all nations.

Security assistance will be geographically oriented as it supports our national interests. The Middle East and Europe will be the centerpiece of future programs. The reversal of Iraq's aggression against Kuwait was a watershed event. Basic U.S. policy toward the region emphasizes continuity of the current balance of power. American strategic concerns still include promoting stability , security of friends, maintaining a free flow of oil, curbing the proliferation of weapons of mass destruction and encouraging a peace process that will bring about reconciliation between Israel and the Arab states. The regional environment since Operation Desert Storm presents new challenges

and new opportunities. The United States is dedicated to helping nations in the Middle East to fashion regional security arrangements that bolster deterrence and encourage the peaceful resolution of disputes. Regarding Europe, it is the continent that has experienced the most fundamental changes. But it has also held the key to the global power balance during the past 45 years. As Europe has transformed politically, it is important to note that the threat of military power is also transforming. The United States will seek to strengthen the North Atlantic Alliance. A strong alliance in Europe will deter the threat of aggression of any nation against a member of NATO or against friends of the alliance.

Providing security assistance to other parts of the world--such as Africa, Central and South America--will also be of vital concern. Poverty, weak industrial infrastructure and illegal drug traffic are the major problems of many Third World countries in these regions. Economic support funds and the International Monetary Fund (IMF) will be instrumental in bringing about prosperity and economic growth in those countries that have a desire to move forward in this new era.³⁰

ORGANIZATIONAL STRUCTURE FOR SECURITY ASSISTANCE AND THE MILITARY STRATEGY

According to the 1992-1997 Future Years Defense Plan (FYDP), the Department of Defense visualizes a 24 percent force reduction over the next six years. The European continent will see U.S.

forces reduced to one Corps. More than 50 percent of U.S. bases overseas will be returned to host nations. Thus, the forward presence of U.S. Forces will be considerably reduced.³¹ As an alternative the Bush Administration has dispatched elite army training teams to Africa in an effort to establish a low-cost military presence in regions rife with political and economic instability. This supports the overall regional strategy to promote stability in region by strengthening the internal defense of some of the least-developed countries of the world.³² Future military strategy will apparently have a regional focus. In addition to forward military support teams a viable security assistance organization with in-country presence would further enhance U.S. goals and objectives.

The foreign assistance program has already experienced reductions in funding over the last five years. The Military Assistance and Advisory Groups (MAAGs), which are responsible for the administration of security assistance programs in the field, are threatened with near extinction in some regions. In addition to Congressionally mandated manpower levels, the MAAGs have been traditionally reduced as various programs were reduced in scope. Some MAAGs have been reduced to as few as two or three person office. In Africa, many offices have been closed or combined with MAAGs in other countries. This has presented special problems in that the level of technical capability is shallow. The MAAG Chief and one assistant cannot be an expert in logistics, ordinance, communications and aviation. In Central

and South America where the Unified Command is responsible to assist in the fight against illegal drugs the size of the MAAGs have continue to decline. The alternative for the elimination of MAAGs in countries with small programs is that their mission could be combined with the Office of the Defense Attache (DATT). In a personal interview with LTG Teddy Allen, Director Of The Defense Security Assistance Agency, Department of Defense, he stated that this arrangement has not been very successful, partly because there is no command relationship between the DATT and the Unified Command. The DATT answers directly to the Chief of Mission, whereas the Chief of the MAAG was supervised by the Unified Command. He also indicated that a more obvious problem is that the mission of the DATT tends detract from the MAAG mission of providing advice and assistance to the host military organizations.³³

If the United States is to maintain a positive influence in distant regions, it must be willing to demonstrate its commitment. The forward presence of U.S. military often provides the essential glue in important alliance relationships; it signals that our commitments will be backed by tangible actions. U.S. presence can deter aggression, preserve regional balance, discourage arms races and prevent the power vacuums that invite conflicts.

Maintaining large U.S. forces abroad may not be economically reasonable or politically sound, but the institution of a regional MAAG system that would interact with military leaders

would fill the void in regions like Africa and South America. Such an endeavor would be a worthy investment.

The Goldwater - Nichols Act gave the Unified Commands greater authority. But the Commands also have the responsibility to develop plans and training in order to be prepared to support their missions. The interface with the host country and the relationship that is established by the MAAG could prove to be invaluable assets to the Unified Commands.

MAJOR ISSUES AFFECTING THE FUTURE OF SECURITY ASSISTANCE

In view of our new national strategy, it is apparent the United States will continue to play an important role in global affairs. The Administration has outlined a foreign policy for the future that depends on a viable security assistance program. Even so, this indispensable element of foreign policy depends on the legislative process. It can be victimized by statutes that tend to allow resources to be misdirected, by competition between foreign aid appropriations and domestic programs, and by foreign base rights negotiations.

Since 1985, Congress has decreased funding for security assistance. The FY 90 level of \$4.6 billion represents a reduction of about \$1 billion from the FY 85 level. In addition to program reductions, Congress has seen fit to earmark appropriations. In the FY 90 budget, Congress earmarked 92

percent of military assistance and 82 percent of the economic support funds. For the past few decades, the major recipients of the program have been Israel, Egypt and Turkey. Congressional earmarking has directed over 90 percent of the total appropriation to these countries.³⁴ (This is not to say that the allocation of these funds is not in the national interest and does not support the U.S. foreign policy initiatives in the region.) The problem with the process is that some countries are eliminated entirely from the program. This has been counterproductive to what the President feels is also important in meeting our national objectives.

Current laws allow Congress to exercise its oversight responsibility. In the case of security assistance, this oversight responsibility has reached the point of micro-management. Only a very few initiatives can be undertaken in the security assistance arena that do not require either Congressional approval or a report to Congress. The two statutes that govern security assistance, the FAA and the AECA, are in the throws of major revision because many of the policies are out of date and have caused problems in the efficient implementation of security assistance programs. The Current bill before congress, House Report 2508, Proposes 40 changes to these statues. Many of these changes have minor administration impact, but a number of these changes will have a significant impact on current policy. These significant changes include the following: 1. The addition of civilian personnel of foreign countries to the IMET program.

2. The responsibility of the Secretary of Defense to monitor end-item-use instead of supervision. 3. Standardizing congressional review procedures for Arms Transfers. 4. Change Restrictions on law enforcement assistance to allow assistance in cases supporting narcotics trafficking and cases supporting antiterrorism. 5. Changes in procedures for notification of program change by giving the President authority to change program if there is risk to human health or welfare. 6. Change in overseas management of assistance and sales program; MAAGs personnel authorizations could be change by simple justification in the annual CPD. In addition to these noted changes a number of reports required by congress will no longer be required.³⁵ If this legislation passes the efficiency of security assistance will greatly improved in addition to the elimination of conflict in policy.

The issue of foreign base rights negotiations has presented problems for the security program. Many countries consider security assistance as compensation for the use of host countries' bases. The executive branch who is responsible for foreign policy does not have the authority to appropriate funds or make commitments to foreign governments as a part of the negotiation for base rights. The U.S. representative general will make what is called "the best pledge effort ". The legislation who is responsible for authorization and appropriation of funds may not meet the "best pledge effort". These less than firm commitments have caused strains in U.S.

relations with friends and allies. In spite of such conditional U.S. commitments, host countries have asked for a more definitive U.S. commitment in order to receive domestic political support. With Congress reducing the anticipated funding levels or imposing other constraints, the United States has been on occasions regarded as reneging on its commitments. In recent years, this has caused serious problems with countries such as the Philippines, Greece, Portugal, Turkey and a number of others.³⁶

In 1990, the President and Congress signed a budget agreement establishing funding caps on defense and foreign assistance appropriations. It is supposed to remain in effect until 1994. The stagnating U.S. economy and the mounting national debt may force a renegotiation of this agreement. As recently as January 1992, the President and Congress indicated that a new agreement may be necessary in view of pressing domestic issues. The foreign assistance program will then have to compete for funding with defense and domestic programs. The only saving grace for foreign assistance is that it is less than one percent of the total national budget. Further, in view of funding cuts from previous years, additional cuts could devastate the program.³⁷ It has already been cut to the bone. But could a hard-pressed Congress, faced with a continuing recession, choose to amputate it?

Issues affecting security assistance will be of major concern in the foreseeable future. If this program is to be viable, our leaders and citizens must understand that security

assistance is an investment in national security and in the well-being of the United States. Without strong, self-reliant friends around the world, the United States itself would have to assume much more of the burden of defending freedom and protecting our national interests globally.

The Administration has taken positive steps to resolve a number of the issues that present simple obstacles in the foreign assistance program. In the 1992-93 appropriation, a number of changes have been put forth for Congressional approval. As of February 1992, Congress had not acted on this legislation. Many of these proposed changes are technical in nature. But other changes, such as amending the FAA and the creation of a contingency fund, are much broader in scope. These broader changes should address some of the major issues discussed earlier. The proposed amendment of the FAA and the AECA is almost a complete rewrite; it would eliminate obsolete and inconsistent provisions outlined earlier. There is also an initiative for the creation of a contingency fund would serve to offset restrictions created by Congressional earmarking of appropriations. In broad terms, the contingency fund would allow the President to support programs as long as the allocation did not violate existing statutes.³⁸

CONCLUSION

Security assistance has been the most valuable instrument of U.S. foreign policy. For a country that takes pride in serving as a global leader and as the world's only super power, a viable security assistance program is essential if we seek to continue positively and constructively influence world affairs.

Foreign assistance programs as far back as "Lend-Lease" and the "Marshal Plan" have proven that support to allies and friends can be invaluable in forging outcomes that are favorable to U.S. national interests.

Congressional legislation has played an important role in supporting security assistance over the last 40 years. Even though Congressional oversight has become intense, concessions appear to be forthcoming that will give the national leadership more latitude in accomplishing national objectives. Current legislation pending in congress reflects a new attitude. If these changes become reality, the efficiency and flexibility of the administration of security assistance will improve.

The national debt and domestic issues will continue to pressure less popular programs such as foreign assistance. European issues and the creation of new, emerging democracies will be high priority issues for the remainder of the decade. Even so, we may witness at least a slight increase in funding to support economic crises in different regions.

Department of Defense force structure reduction will

decrease impact our forward presence. Such reductions are prudent in light of the reduced threat. Therefore, it is essential that MAGGs be maintained separate from DATT because of conflict in mission. I would contend that the man-power levels should be based on regional objectives. The Unified Command should adjust theater resources to support the security assistance mission. A reorganization of security assistance field agencies could help to fill the ensuing void. In a time of diminishing resources and fewer forces abroad, security assistance organizations in the field provide the Unified Command another dimension of forward presence.

The most important provision in the new national security strategy is the guarantee of free and independent nations to remain free. Foreign assistance will provide the means by which this national security objective can be accomplished.

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